

State of Utah DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA Division Director

July 25, 2012

Jaren Jorgensen Castle Valley Mining, LLC P.O. Box 475 Huntington, UT 84528

Subject: Hydrology Plan/Surface Facilities, Bear Canyon Mine, Castle Valley Mining LLC,

C/015/0025, Task ID #4144

Dear Mr. Jorgensen:

The Division has reviewed your application to revise the hydrologic monitoring plan. For the revisions to the hydrologic monitoring plan, the Division has determined that there are some deficiencies that must be addressed before a determination can be made that the requirements of the R645 Coal Mining Rules have been met. Those deficiencies are listed as an attachment to this letter.

The initials of the deficiencies authors are provided so that your staff can communicate directly with that individual should questions arise. The plans as submitted are denied. Please resubmit the entire application.

If you have any questions, please call me at (801) 538-5350 or April Abate at (801)538-5214.

Sincerely

Permit Supervisor

SKC/AAA/sqs Attachment O:\015025.BCN\WG4144\WG4144 DEFICIENCIES.DOC



Deficiency List

Task No. 4144
Task Name: Hydrology Plan/Surface Facilities

The members of the review team include the following individuals:

April Abate (AA)

- [R645.301-731.224]: Page 7-50 of the approved Mining and Reclamation Plan (MRP) indicates that all sites projected for re-initiation of monitoring is based on the projected mine plan over the next 12 months and that sampling will begin at least 6 months prior to projected impacts from undermining. Mining is planned under the perennial reach of Fish Creek, as such the Fish Creek locations outlined in Table 7-14 will be monitored on a weekly basis one month prior to mining, then weekly monitoring during mining, and will continue weekly until one month after mining. Monitoring will then be reduced to monthly for an additional 6 months, at which time it will resume its normal quarterly schedule. The weekly monitoring reports are to be sent to the Division via email as indicated in the MRP. The Division would like to request a timeline for this sampling in the area showing the six month timeframe prior to mining, the forecasted duration of the weekly sampling, and the monthly monitoring schedule 6 months after mining is completed in the area. This timeline can be sent to the Division hydrologist via email.
- [R645.301-731.224]: SBC-18, SBC-20, SBC-21, SBC-022 and SCC-2 were selected for monitoring because they were either major contributors to surface water systems or they were springs developed for beneficial use or have water rights associated with them. The rationale provided for samples subject to the more intensive weekly monitoring during mining is listed in the Mining and Reclamation Plan narrative on Page 7-60A. Spring sample SBC-20 is included in the narrative, but is not marked for weekly sampling on Table 7-14. Given that this spring does not have a water right associated with it and that the flow data does not show a consistent flow (approximately 4-5 gallons per minute in late spring only), the Division does not feel that the weekly monitoring is necessary and that SBC-20 could be removed from the narrative text on Page 7-60A. If the Permittee elects to not sample SBC-20 for weekly monitoring, then please submit a revised page 7-60A.
- [R645.301-512.110]: Plates 5-1A, 5-1B, and 5-1C, the Blind Seam, Hiawatha Seam and the Tank Seams is requested from the Permittee if it is determined that the maps are out of date. These areas are located below Fish Creek and were all forecasted for mining between 2007 and 2014. Although not required for this submittal, but in light of the recent transition to new management, the Division recommends these mine workings maps be reviewed to ensure that the most current mine plan forecast information is accurately reflected in the MRP. Please provide updated maps to the Division if it is determined to be necessary.